



TRANSNET FREIGHT RAIL
an Operating Division of
TRANSNET LIMITED
(Registration No. 1990/000900/06)

REQUEST FOR PROPOSAL (“RFP”)

RFP NUMBER: HOAC-HO-7262

**NATIONAL SUPPLY OF SPARES FOR AXLE COUNTER EQUIPMENT ON AN AS AND
WHEN REQUIRED BASIS FOR A PERIOD OF TWO YEARS**

ISSUE DATE : 07 MARCH 2011
CLOSING DATE : 29 MARCH 2011
CLOSING TIME : 10H00
VALIDITY PERIOD : 29 JUNE 2011
NON-COMPULSORY
BRIEFING SESSION : 22 MARCH 2011
TIME : 12H00

**Please note that late responses and those delivered or posted
to the incorrect address will be disqualified.**

Respondent's Signature

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Date and Company Stamp



RFP NUMBER: HOAC-HO-7262

**NATIONAL SUPPLY OF SPARES FOR AXLE COUNTER EQUIPMENT ON AN AS AND
WHEN REQUIRED BASIS FOR A PERIOD OF TWO YEARS**

SCHEDULE OF DOCUMENTS

Section

- 1. Notice to Bidders**
- 2. Background, Overview**
- 3. Scope of Requirements, Pricing and Delivery Schedule**
- 4. Proposal Form**
- 5. Signing Power: Resolution of Board of Directors**
- 6. Resolution of Board of Directors (Respondent's Representative)**
- 7. Certificate of Acquaintance with RFP Documents**
- 8. General Tender Conditions (CSS5 – Goods)**
- 9. Standard Terms and Conditions of Contract (US7 - Goods)**
- 10. Supplier Code of Conduct**
- 11. Non-Disclosure Agreement**
- 12. Supplier Declaration Form**
- 13. Certificate of Attendance of Briefing Session**

Respondent's Signature

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Date and Company Stamp



SECTION 1

RFP NUMBER: HOAC-HO-7260

NATIONAL SUPPLY OF SPARES FOR AXLE COUNTER EQUIPMENT ON AN AS AND WHEN REQUIRED BASIS FOR A PERIOD OF TWO YEARS

NOTICE TO BIDDERS

Proposals are requested from interested persons, companies, close corporations or enterprises (hereinafter referred to as the "Respondent(s)") to supply the above-mentioned requirement(s) to Transnet.

1. **Dates RFP documents available:** On or after 07 March 2011 to 29 March 2011
2. **Office from which RFP documents may be inspected and obtained:** Office of Transnet Freight Rail, Tender Advice centre Ground Floor, Inyanda No 1 Building, 21 Wellington Road, Parktown, Johannesburg.
3. **Office Hours in which to purchase the RFP documents :** 8:00am to 15:00pm
4. **RFP Document Fee:** A non-refundable tender fee **R750.00** is applicable per tender. Payment is to be made to Transnet Freight Rail Standard Bank Account No 203158598 Branch code 004805. The deposit slip must reflect the RFP No and the Company name. Receipt of payment is to be presented at collection of the tender document.
5. For specific queries before the closing of the RFP, the following Transnet employee(s) may be contacted by email only:

Name : Ntala Makotoko
Division : Supply Chain Services
Email : Ntala.Makotoko@transnet.net
Telephone no : 011 584 0620

OR

Name : Ansley Greeff
Division : Supply Chain Services
Email : Ansley.Greeff@Transnet.net
Telephone no : 011 584 0617

6. BRIEFING SESSION

- a) Please note that the briefing session is not compulsory but it is recommended that suppliers attend this session wherein all questions will be addressed.
- b) It is also recommended that suppliers have acquired the tender documents for the briefing session.

Respondent's Signature

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Date and Company Stamp



- c) The briefing session will be held on the **22 March 2011 at 12h00**. Suppliers are requested to be punctual, as late arrivals will not be allowed in.
- d) The venue for the briefing session is No 15 Girton Road, Iyanda House 2, Umjantshi Board Room, ground Floor.

7. Proposals in duplicate must reach the Chairperson, Transnet Acquisition Council before the closing hour on the date shown below, and must be enclosed in a sealed envelope which must have inscribed on the outside:

| | |
|--|--|
| RFP No | : HOAC-HO-7262 |
| Description | : National Supply of Spares for Axle Counter Equipment on an as and when required basis for a period of two years |
| Closing date and time | : 29 March 2011 at 10h00 |
| Closing address (refer options point 8 below) | |

8. DELIVERY INSTRUCTIONS FOR THIS RFP

If posted, the envelope must be addressed to the Chairperson, Transnet Acquisition Council, P.O. Box 4244, Johannesburg 2000 and must be dispatched in time for sorting by the Post Office to reach the Chairperson before the closing time of the RFP. In the event of the late receipt of a Proposal, the Respondent's franking machine impression will not be accepted as proof that the response was posted in time.

If delivered by hand, the envelope is to be deposited in the TRANSNET tender box which is located at, **Inyanda No 1, Ground Floor, 21 Wellington Road Parktown**, and should be addressed as follows:

**THE CHAIRPERSON
TRANSNET FREIGHT RAIL ACQUISITION COUNCIL
GROUND FLOOR
TENDER BOX
Inyanda No 1
21 Wellington Road
Parktown**

The measurements of the "tender slot" are 500mm wide x 100mm high, and Respondents must please ensure that response documents or files are not larger than the above dimensions. Responses which are too bulky (i.e. more than 100mm thick) must be split into two or more files, and placed in separate envelopes.

It should also be noted that the above tender box is located at the main entrance and is accessible to the public 24 hours per day, 7 days a week.

If dispatched by courier, the envelope must be addressed as follows and delivered to the Office of The Secretary, Transnet Acquisition Council and a signature obtained from that Office.

**THE CHAIRPERSON
TRANSNET FREIGHT RAIL ACQUISITION COUNCIL
GROUND FLOOR
21 WELLINGTON ROAD
PARKTOWN**



9. Please note that this RFP closes punctually at 10:00 on Tuesday 29 March 2011.
10. If responses are not posted or delivered as stipulated herein, such responses will not be considered and will be treated as "UNRESPONSIVE."
11. NO EMAIL OR FACSIMILE RESPONSES WILL BE CONSIDERED.
12. The responses to this RFP will be opened as soon as practicable after the expiry of the time advertised for receiving them.
13. Transnet shall not, at the opening of responses, disclose to any other company any confidential details pertaining to the Proposals / information received, i.e. pricing, delivery, etc. The names and location of the Respondents will, however, be divulged to other Respondents upon request.
14. Envelopes must not contain documents relating to any RFP other than that shown on the envelope. All envelopes must reflect the return address of the Respondent on the reverse side.
15. No slips are to be attached to the response documents. Any additional conditions must be embodied in an accompanying letter. Subject only to clause 22 (*Alterations made by the Respondent to Tendered Prices*) of the General Tender Conditions, alterations, additions or deletions must not be made by the Respondent to the actual RFP documents.
16. **BROAD-BASED BLACK ECONOMIC EMPOWERMENT ("BBBEE")**

TRANSNET fully endorses and supports the South African Government's Broad-Based Black Economic Empowerment Programme and it is strongly of the opinion that all business enterprises have an equal obligation to redress the imbalances of the past. TRANSNET would therefore prefer to do business with business enterprises who share these same values and who are prepared to contribute to meaningful BBBEE initiatives (including and not limited to enterprise development, subcontracting and Joint Ventures) as part of their tender response.

Transnet would accordingly allow a "preference" in accordance with the 10% preference system, as per the Preferential Procurement Policy Framework Act 5 of 2000 (as amended) to companies who provide a BBBEE accreditation Certificate. All procurement and disposal transactions in excess of R30000 will be evaluated accordingly. All transactions below R 30,000 will as far as possible be earmarked for EME's.

TRANSNET consequently urges Respondents (Large enterprises and QSE's – see below) to have themselves duly accredited by any one of the Accreditation Agencies **approved** by SANAS (South African National Accreditation System, under the auspices of the DTI).

In terms of Government Gazette No. 32467, Notice No. 810 dated 31 July 2009, as from 1 February 2010 only BBBEE certificates issued by Accredited Verification Agencies of Verification Agencies that are in possession of a valid pre-assessment letter from South African National Accreditation System will be valid.

However accreditation certificates issued by non-accredited verification agencies before 01 February 2010 and which are still within their one (1) year validity period will still be acceptable, until their expiry date provided that the accreditation was done in accordance with the latest codes (i.e. those promulgated on 9 February 2007).



BBBEE Accreditation Certificates issued after the published date i.e. 01 February 2010, by a Verification Agency not approved by SANAS, will NOT be acceptable as from 01 February 2010.

Enterprises will be rated by such Accreditation Agencies based on the following:

- (a) **Large Enterprises (i.e. annual turnover >R35 million):**
 - Rating level based on all 7 (seven) elements of the BBBEE scorecard
 - Enterprises to provide BBBEE certificate and detailed scorecard (to be renewed annually)
- (b) **Qualifying Small Enterprises – QSE (i.e. annual turnover >R5 million but <R35 million):**
 - Rating based on any 4 (four) of the elements of the BBBEE scorecard
 - Enterprises to provide BBBEE certificate and detailed scorecard (to be renewed annually)
- (c) **Exempted Micro Enterprises – EME (i.e. annual turnover <R5m are exempted from being rated or verified):**
 - Automatic BBBEE Level 4 rating, irrespective of race ownership, i.e. 100% BBBEE recognition
 - Black ownership >50% or Black Women ownership >30% automatically qualify as Level 3 BBBEE rating, i.e. 110% BBBEE recognition
 - EME’s should provide documentary proof of annual turnover (i.e. audited financials) plus proof of Black ownership if Black ownership >50% or Black Women ownership >30% (to be renewed annually) from their Auditors / Accounting Officers

In addition to the above, Respondents who wish to enter into a Joint Venture (JV) or subcontract portions of the contract to BBBEE companies must state in their Tenders / Proposals the percentage of the total contract value which would be allocated to such BBBEE companies, should they be successful in being awarded any business. A rating certificate in respect of such BBBEE JV-partners and/or sub-contractors, as well as a breakdown of the distribution of the aforementioned percentage allocation must also be furnished with the tender response to enable Transnet to evaluate / adjudicate on all tenders received on a fair basis.

Each Respondent is required to furnish proof of its BBBEE status (Certificate and Detailed Scorecard) and ensure that the documentation is valid at the date of Tender Submission as stipulated above to TRANSNET.

Failure to submit your BBBEE Certificate and Detailed Scorecard will result in a score of zero being allocated for BBBEE evaluation.

| |
|---|
| Turnover: Indicate your company’s most recent annual turnover: R..... |
|---|

- If annual turnover <R5m, please attach auditors / accounting officers letter confirming annual turnover and percentage black ownership as well as Black Women ownership
- If annual turnover >R5m please attach BBBEE certificate and detailed scorecard from an accredited rating agency.



The DTI has created an online **B-BBEE Registry** (<http://www.dti.gov.za>) in order to provide a central and standardized source of the B-BBEE status of all entities, and to facilitate the flow of this information amongst entities by providing a Unique Profile Number (UPN) per each listing. Existing and prospective suppliers are therefore urged to list their B-BBEE status on the DTI Registry. Hence, entities verified by DTI, will receive the following benefits:

- Their BBEE status will be verified and confirmed by the DTI, before listing on the Registry
- Listing on the Registry will provide suppliers the option to market themselves on the DTI B-BBEE Opportunities Network. This is a search engine that is designed to help businesses find B-BBEE compliant entities who match specific requirements in terms of the nature of services/goods provided, region, B-BBEE status or other search criteria.

Transnet supports this DTI initiative and will use the DTI Registry to verify prospective and existing suppliers' BBEE credentials.

Kindly provide Transnet with your DTI B-BBEE UNIQUE PROFILE NUMBER with all tender submissions.

| |
|--|
| <p>DTI BBEE UNIQUE PROFILE NUMBER:</p> <p>.....</p> |
|--|

Failure to submit your BBEE information in terms of the above-mentioned clauses will result in a score of zero being allocated for BBEE evaluation.

17. SOCIO-ECONOMIC OBLIGATIONS FOR FOREIGN RESPONDENTS

Foreign Respondents' socio-economic obligations under this procurement programme will fall under the associated Government initiative, namely, the Competitive Supplier Development Programme ("CSDP") as developed by the Department of Public Enterprises, details of which are appended hereto at Annexure A.

18. COMMUNICATION

Respondents are warned that a response will be liable to disqualification should any attempt be made by a Respondent either directly or indirectly to canvass any officer(s) or employee of Transnet in respect of this RFP between the closing date and the date of the award of the business.

A respondent may, however, BEFORE THE CLOSING DATE AND TIME, direct any enquiries relating to the RFP to the Transnet employee as indicated in clause 2 above, and may also at any time after the closing date of the RFP, communicate with the Secretary of the Transnet Acquisition Council, at telephone number 011 544-9486 or fax no. 011 774-9760 on any matter relating to its RFP response.

19. RFP SCHEDULE

Respondents will be contacted as soon as practicable with a status update. At this time short-listed Respondents may be asked to meet with Transnet representatives at a location to be agreed.



20. INSTRUCTIONS FOR COMPLETING THE RFP

- (i) Sign one set of documents (sign and date the bottom of each page). This set will serve as the legal and binding copy. A duplicate set of documents is required. This second set can be a copy of the original signed Proposal.
- (ii) Both sets of documents to be submitted to the address specified above.

21. COMPLIANCE

The successful Respondent (hereinafter referred to as the “Supplier”) shall be in full and complete compliance with any and all applicable State and Local Laws and Regulations.

22. ADDITIONAL NOTES:

- All returnable documents as indicated in the Proposal Form (Section 3) must be returned with the response
- **Respondents are to note that Proposals in which firm prices are quoted for the duration of any resulting contract may receive precedence over prices which are subject to adjustment**
- Changes by the Respondent to its submission will not be considered after the closing date
- The person or persons signing the Proposal must be legally authorized by the Respondent to do so (A list of those person(s) authorized to negotiate on your behalf (if not the authorized signatories) must also be submitted along with the Proposal together with their contact details.
- **All prices must be quoted in South African Rands**
- Transnet reserves the right to undertake post-tender negotiations with selected Respondents or any number of short-listed Respondents and may wish to visit the Respondent’s place of manufacture (works) during this process.

NB: Unless otherwise expressly stated, all Proposals furnished pursuant to this Request shall be deemed to be offers. Any exceptions to this statement must be clearly and specifically indicated. Transnet reserves the right to reject any or all offers.

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| FAILURE TO OBSERVE ANY OF THE AFOREMENTIONED REQUIREMENTS MAY RESULT IN A PROPOSAL BEING REJECTED |
|--|

18. DISCLAIMERS

Respondents are hereby advised that Transnet is not committed to any course of action as a result of its issuance of this RFP and/or its receipt of a Proposal in response to it. In particular, please note that Transnet reserves the right to:

- modify the RFP’s Goods and request Respondents to re-bid on any changes
- reject any Proposal which does not conform to instructions and specifications which are detailed herein
- disqualify Proposals submitted after the stated submission deadline
- not necessarily accept the lowest priced Proposal



- reject all Proposals, if it so decides
- award a contract in connection with this Proposal at any time after the RFP's closing date
- award only a portion of the proposed Goods which are reflected in the scope of this RFP
- split the award of the contract between more than one Supplier
- make no award of a contract

Kindly note that Transnet will not reimburse any Respondent for any preparatory costs or other work performed in connection with this Proposal, whether or not the Respondent is awarded a contract.

19. LEGAL REVIEW

Any Proposal submitted by a Respondent is subject to review and negotiation of the proposed contract by Transnet's Legal Counsel

Respondents to complete this section:

| |
|--------------------------|
| NAME OF RESPONDENT |
| PHYSICAL ADDRESS |
| |

| |
|------------------------------|
| Respondent's contact person: |
| Name..... |
| Designation..... |
| Telephone..... |
| Cell Phone..... |
| Facsimile..... |
| Email..... |
| Website..... |

Respondent's Signature

Date and Company Stamp



**Transnet urges its clients, suppliers and the general public
to report any fraud or corruption
on the part of Transnet's employees to
TIP-OFFS ANONYMOUS : 0800 003 056**

“PREVIEW COPY ONLY”

Respondent's Signature

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Date and Company Stamp



SECTION 2

RFP NUMBER: HOAC-HO-7262

NATIONAL SUPPLY OF SPARES FOR AXLE COUNTER EQUIPMENT ON AN AS AND WHEN REQUIRED BASIS FOR A PERIOD OF TWO YEARS

BACKGROUND, OVERVIEW

1. BACKGROUND

National Supply of various Spares for Axle Counter Equipment, on an as and when required basis, for a period of two years.

2. EXECUTIVE OVERVIEW

Most Transnet Operating Divisions currently procure their requirements through a three service providers. Our objective is to source all activity through a Preferred Supplier(s) capable of servicing all Transnet Operating Divisions in locations around the country.

Transnet is seeking a partner(s) to provide solutions for its requirements nationally. It also seeks to improve its current processes for providing these Goods to its end user community throughout its locations.

The selected service provider(s) will share in the mission and business objectives of Transnet. These mutual goals will be met by meeting contract requirements and new challenges in an environment of teamwork, joint participation, flexibility, innovation and open communications. In this spirit of partnership, Transnet and its Supplier(s) will study the current ways they do business to enhance current practices and support processes and systems. Such a partnership will allow Transnet to reach higher levels of quality, service and profitability.

Specifically, Transnet seeks to benefit from this partnership in the following ways:

- Transnet must receive **reduced cost of acquisition and improved service benefits** resulting from the Supplier's economies of scale and streamlined service processes.
- Transnet must achieve appropriate availability that meets user needs while reducing costs for both Transnet and the chosen Supplier(s).
- Transnet must receive proactive improvements from the Supplier with respect to supply of Goods and related processes.
- Transnet's overall competitive advantage must be strengthened by the chosen Supplier's leading edge technology and service delivery systems.
- Transnet end users must be able to rely on the chosen Supplier's personnel for service enquiries, recommendations and substitutions.



- Transnet must reduce costs by streamlining its acquisition of Goods, including managed service processes on a Group basis.

3. SCOPE OF REQUIREMENTS

- a) National Supply of Spares for Axle Counter Equipment Equipment, on an as and when required basis, for a period of two years.

b) GENERAL INFORMATION

It is required that all Transnet operating divisions will be included in the scope of this Proposal.

The service provider(s) shall be fully responsible to Transnet for the acts and omissions of persons directly or indirectly employed by them.

The service provider(s) must provide the identified information requested and comply with the requirements stated in the RFP.

c) AS AND WHEN CONTRACTS

Purchase orders will be placed on the successful Respondents from time to time as and when supplies are required.

Transnet reserves the right to place purchase orders until the last day of the contract for deliveries to be effected within the delivery period/lead time specified beyond the expiry date of the contract under the same terms and conditions as agreed upon.

The Respondents must indicate the combined manufacturing and delivery lead time for delivery of the Goods /products/material to end destination in the Republic of South Africa, calculated as from the 7th (seventh) day after the date of the relevant purchase order: Please indicate as such on the attached scope of requirements.

- (i) Delivery requirements may be stipulated in purchase orders and scheduled deliveries may be called for. However, delivery periods and maximum monthly rates of delivery offered by the Respondents will be used as guidelines in establishing lead times and monthly delivery requirements with the Supplier.
- (ii) Where scheduled deliveries are required, the delivery period(s) specified must be strictly complied with, unless otherwise requested by TRANSNET. Material supplied earlier than specified may not be paid for or may be returned with the Supplier being held liable for all expenses incurred, eg. railage charges, handling charges, etc., both ways.

Respondent's Signature

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Date and Company Stamp



d) RESPONDENT'S SAMPLES

Only in cases when the Respondent submits a sample(s) of the Goods/products/material tendered for by it, the sample(s) must be forwarded on or before the deadline date to the addressee hereunder:

Ms. Hellen Munyai
1st Floor
Inyanda 3
Girton Road, Parktown,
Gauteng
Tel. 011 5830146
Hellen.Munyai@Transnet.net

The sample(s) must be clearly marked with the reference number of this RFP and the names and addresses of both the Respondent and the manufacturer.

FAILURE TO SUBMIT THE SAMPLE(S) IN DUE TIME MAY RESULT IN A PROPOSAL BEING REJECTED. PROPOSALS MUST UNDER NO CIRCUMSTANCES BE INCLUDED IN THE PACKAGE CONTAINING A SAMPLE(S).

The Respondents must state the following:

- (i) Has/have a sample(s) been submitted?

- (ii) How and to whom forwarded?

- (iii) Date of dispatch

e) PRE-PRODUCTION SAMPLES/PROTOTYPES

Only in cases when a pre-production sample(s) / prototype(s) is/are called for, the Respondent should state here the date required to deliver the necessary pre-production samples(s)/prototype(s) calculated as from the date of notification of acceptance of the Proposal by Transnet:



NB: Purchase Orders will be placed on the Supplier(s) only after the date of approval of the pre-production sample(s).

State the number of days/weeks/months after which delivery would commence subject to Transnet’s approval of the pre-production sample(s)/prototype(s), calculated as from the date of such approval:

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f) MANUFACTURERS

The Respondents must state hereunder the actual manufacturer(s) of the Goods tendered for:

(i) LOCAL MANUFACTURER(S):

| RFP ITEM NUMBER | ACTUAL MANUFACTURER NAME | ADDRESS IN FULL |
|-----------------|--------------------------|-----------------|
| 1 | | |
| 2 | | |
| 3 | | |
| 4 | | |
| 5 | | |
| 6 | | |
| 7 | | |
| 8 | | |
| 9 | | |
| 10 | | |
| 11 | | |

(ii) FOREIGN MANUFACTURER(S):

| RFP ITEM NUMBER | ACTUAL MANUFACTURER NAME | ADDRESS IN FULL |
|-----------------|--------------------------|-----------------|
| 1 | | |
| 2 | | |
| 3 | | |
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Respondent's Signature

Date and Company Stamp



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| 9 | | |
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g) SUPPLIERS

The Respondents must state the actual name(s) and address/addresses of the suppliers of the Goods for inspection purposes only:

(i) LOCAL MANUFACTURER(S):

| RFP ITEM NUMBER | ACTUAL MANUFACTURER NAME | ADDRESS IN FULL |
|-----------------|--------------------------|-----------------|
| 1 | | |
| 2 | | |
| 3 | | |
| 4 | | |
| 5 | | |
| 6 | | |
| 7 | | |
| 8 | | |
| 9 | | |
| 10 | | |
| 11 | | |

(ii) FOREIGN MANUFACTURER(S):

| RFP ITEM NUMBER | ACTUAL MANUFACTURER NAME | ADDRESS IN FULL |
|-----------------|--------------------------|-----------------|
| 1 | | |
| 2 | | |
| 3 | | |
| 4 | | |
| 5 | | |
| 6 | | |
| 7 | | |
| 8 | | |
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| 11 | | |

Respondent's Signature

Date and Company Stamp



h) IMPORTED CONTENT

The Respondents must state hereunder the value of the imported content as well as the country of origin in respect of each item tendered for:

| RFP ITEM NUMBER | ACTUAL MANUFACTURER NAME | ADDRESS IN FULL |
|-----------------|--------------------------|-----------------|
| 1 | | |
| 2 | | |
| 3 | | |
| 4 | | |
| 5 | | |
| 6 | | |
| 7 | | |
| 8 | | |
| 9 | | |
| 10 | | |
| 11 | | |

Note: Where more than one country is applicable to one item, the Respondents must furnish both details

i) EXCHANGE AND REMITTANCE

The attention of the Respondents is specially directed to clause 7 (*Exchange and Remittance*) of the General Tender Conditions Form CSS5. The Respondent is also to note that the particulars of the exchange rate on which the Respondent has based its tendered price(s), is/are to be stipulated hereunder only if Transnet is requested by the Respondent to effect payment overseas direct to the Respondent's principal/supplier.

(a) ZAR1.00 (South African currency) being equal to (foreign currency).
% in relation to tendered price(s) (.....) to be remitted overseas by Transnet.

(b) (Name of country to which payment is to be made)

(c) Beneficiary details :
 Name (Account holder)
 Bank (Name and branch code).....

Respondent's Signature

Date and Company Stamp



| | |
|-----|---|
| | Swift code |
| | Country |
| (d) | (Applicable date of Exchange Rate used) |

j) NATIONAL RAILWAY SAFETY REGULATOR ACT

In compliance with the **National Railway Safety Regulator Act, 16 of 2002**, the successful Respondent (the “Supplier”) shall ensure that the Goods to be supplied to Transnet, under the terms and conditions of a contract between the parties, comply fully with the specifications as set forth in **Section 3 (Scope of requirements)** of this RFP, and shall thereby adhere to railway safety requirements and/or regulations. Permission for the engagement of a subcontractor by the Supplier, as applicable, both initially and during the course of a contract, shall be subject to a review of the capability of the proposed subcontractor to comply with the specified railway safety requirements and/or regulations. The Supplier and/or its subcontractor shall grant Transnet access, during the term of the contract, to review any safety-related activities, including the coordination of such activities across all parts of the organisation.

Accepted:

| | | | |
|------------|--|-----------|--|
| YES | | NO | |
|------------|--|-----------|--|

k) SERVICE LEVELS

- Experienced national account representative/s to work with Transnet’s sourcing/procurement department (no sales representatives are needed for individual department/locations). Additionally, there shall be a minimal number of people, fully informed and accountable for this agreement.
- Transnet will have quarterly reviews with the Supplier’s account representative on an ongoing basis.
- Transnet reserves the right to request that any member of the Supplier’s team involved on the Transnet account be replaced if deemed not to be adding value for Transnet.
- Supplier guarantees that it will achieve a 95% service level on the following measures. If the Supplier does not achieve this level as an average over each quarter, Transnet will receive a 1.5% rebate on quarterly sales payable in the next quarter:
 - Pick perfect rate/quantity/specifications
 - On-time delivery
- Supplier must provide a toll-free number or alternative number for customer service calls.
- Supplier will pay all costs for returns (shipping, restocking, etc.) as long as materials are in resalable condition. Time limitation on returns will be 14 (fourteen) working days from date of

Respondent’s Signature

Date and Company Stamp



delivery unless the product needs to be shipped back to original manufacturer either for repair or replacement, and then another future reasonable date shall be determined.

- Failure of the Supplier to comply with stated service level requirements will give Transnet the right to cancel the contract in whole, without penalty, giving 30 (thirty) days' notice to the Supplier.

Accepted:

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|-----|--|
| YES | |
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| NO | |
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Respondent's Signature

Date and Company Stamp



I) CONTINUOUS IMPROVEMENT INITIATIVES AND VALUE ADD

Respondents shall indicate whether they are committed to participate in the continuous improvement initiatives of Transnet to reduce the overall cost of transportation within South Africa during the duration of the contract.

Accepted:

| | |
|------------|--|
| YES | |
|------------|--|

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|-----------|--|
| NO | |
|-----------|--|

If “yes”, please specify.

Respondents must briefly describe their commitment to the continuous improvement initiatives and give examples of specific areas and strategies where cost reduction initiatives and value add can be introduced. Specific areas and proposed potential savings percentages should be included. Additional information can be appended to the Respondent’s Proposal if there is insufficient space available.

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m) RISK

Respondents must elaborate on the control measures put in place by their company, which mitigate the risk to Transnet, pertaining to potential non-performance by a Supplier in relation to -

(i) Are the items quoted for approved by Transnet Freight Rail Technology Management? How do you ensure the quality and specification of Goods delivered: Please give **method statements** on how this is achieved. Please give advice on who are the **key personnel** who perform the testing on materials before they leave your premises and the kind of testing facilities used. Attach an **ISO rating Certificate or documentary proof of any quality control system**.

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(ii) Continuity of supply (refer clause 10.1(c) of Form US7): Please give a **business continuity plan** accompanied by a **method statement**

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(iii) Compliance with the Occupational Health and Safety Act, 85 of 1993 (refer clause 7.1(f) of Form US7): Please give your **OHS and Risk plan** accompanied by a **method statement**

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(iv) Compliance with the National Railway Safety Regulator Act, 16 of 2002 (refer clause j above)

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Respondent's Signature

Date and Company Stamp



(iv) Additional Information required – Please note that site visits will be conducted to verify the information provided in this section

| Information to be submitted | Response |
|--|----------|
| <ul style="list-style-type: none"> • If supplier is not the Original Equipment manufacturer, please provide an existing agreement between the agent and the OEM? | |
| <ul style="list-style-type: none"> • Is evidence of the agreement | |
| <ul style="list-style-type: none"> <ul style="list-style-type: none"> ○ An SLA | |
| <ul style="list-style-type: none"> <ul style="list-style-type: none"> ○ A Letter | |
| <ul style="list-style-type: none"> <ul style="list-style-type: none"> ○ Or any form of agreement | |
| <ul style="list-style-type: none"> • What recourse does Transnet have in case of product integrity being compromised at delivery? | |
| <ul style="list-style-type: none"> • Who does Transnet call in such an event? | |
| <ul style="list-style-type: none"> • What recourse does Transnet have in the event of product failure during the lifecycle of the product? | |
| <ul style="list-style-type: none"> • Who does Transnet call in such an this event | |
| <ul style="list-style-type: none"> • What process is in place to handle defaults after the warrantee of the product has expired (Is there a fee payable for services rendered?) | |
| <ul style="list-style-type: none"> • How are product failure/malfunction risks covered? | |
| <ul style="list-style-type: none"> • What is the supply chain process from date of order to delivery of the product? | |
| <ul style="list-style-type: none"> • How does the buyer ensure that the product required is the right item that was ordered? | |
| <ul style="list-style-type: none"> • What security measures/mechanisms are in place at the warehouse(s)? | |
| <ul style="list-style-type: none"> • How are storage risks addressed? | |
| <ul style="list-style-type: none"> • How are handling and transportation risks addressed? | |
| <ul style="list-style-type: none"> • Where will pre-delivery inspections be accommodated? | |
| <ul style="list-style-type: none"> • What value is added to the process by the agent if the supplier is not the Original equipment manufacturer? | |



n) REFERENCES

Please indicate the company names and contact details of existing customers whom Transnet may contact to seek third party evaluations of your current service levels:

| | Reference 1 | Reference 2 | Reference 3 | Reference 4 | Reference 5 |
|------------------------|-------------|-------------|-------------|-------------|-------------|
| Name of Company | | | | | |
| Contact Person | | | | | |
| Telephone Number | | | | | |
| Nature of project | | | | | |
| Date project started | | | | | |
| Date project completed | | | | | |

o) EVALUATION CRITERIA

Transnet will utilize the following criteria in evaluating a Supplier, if so required:

| Description |
|--|
| <ul style="list-style-type: none"> Category: Commercial |
| <ul style="list-style-type: none"> Reduce price from current base Payment conditions (DDP, Volume rebates, Early settlement discounts) – costs reduced Reduce Inventory & Transport Costs Value add of services provided References / previous performance record |
| <ul style="list-style-type: none"> Category: Technical / Practical |
| <ul style="list-style-type: none"> Compliance to specification and Approved by Rail Technology Technical capacity / resources SHEQ |
| <ul style="list-style-type: none"> Category: B-BBEE |
| <ul style="list-style-type: none"> B-BBEE certificate and scorecard |

Respondent's Signature

Date and Company Stamp



SECTION 3

RFP NUMBER: HOAC-HO-7262

NATIONAL SUPPLY OF SPARES FOR AXLE COUNTER EQUIPMENT ON AN AS AND WHEN REQUIRED BASIS FOR A PERIOD OF TWO YEARS

SCOPE OF REQUIREMENTS, PRICING AND DELIVERY SCHEDULE

KINDLY NOTE

- SPECIFICATIONS AND DRAWINGS FOR THE ITEMS IN THE ATTACHED DOCUMENT CAN BE ACCESSED FROM THE FOLLOWING OFFICE BY QUOTING THE SPECIFICATION NUMBER OR DRAWING NUMBER OF THE ITEM.

Ms. Hellen Munyai
1st Floor
Inyanda 3
Girton Road, Parktown,
Gauteng
Tel. 011 5830146
Hellen.Munyai@Transnet.net

- ALL PRICES MUST INCLUDE THE DELIVERY TO SITE – TRANSNET PREFARES THE DELIVERY DUTIES PAID INCOTERMS.

Respondent's Signature

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Date and Company Stamp



SECTION 4

RFP NUMBER: HOAC-HO-7262

NATIONAL SUPPLY OF SPARES FOR AXLE COUNTER EQUIPMENT ON AN AS AND WHEN REQUIRED BASIS FOR A PERIOD OF TWO YEARS

PROPOSAL FORM

I/We _____

(name of company, close corporation or partnership)

of (full address) _____

carrying on business under style or title of (trading as) _____

represented by _____

in my capacity as _____

being duly authorized thereto by a Resolution of the Board of Directors or Members or Certificate of Partners, as the case may be, dated _____ a certified copy of which is annexed hereto, hereby offer to supply the above-mentioned Goods at the prices quoted in the schedule of prices in accordance with the terms set forth in the accompanying letter(s) reference _____ and dated _____ (if any) and the documents listed in the accompanying schedule of RFP documents.

I/We agree to be bound by those conditions in Transnet's:

- (i) Standard Terms and Conditions of Contract, Form No. US7 - Goods;
- (ii) General Tender Conditions, Form CSS5 – Goods; and
- (iii) any other standard or special conditions mentioned and/or embodied in the Request for Proposal form; and;-

Respondent's Signature

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Date and Company Stamp



I/We accept that unless Transnet should otherwise decide and so inform me/us in the facsimile or letter of acceptance, this Proposal (and, if any, its covering letter and any subsequent exchange of correspondence), together with Transnet's acceptance thereof shall constitute a binding contract between Transnet and me/us.

Should Transnet decide that a formal contract should be signed and so inform me/us in the facsimile or letter of acceptance, this Proposal (and, if any, its covering letter and any subsequent exchange of correspondence) together with Transnet's letter of acceptance/intent, shall constitute a binding contract between Transnet and me/us until the formal contract is signed.

I/We further agree that if, after I/we have been notified of the acceptance of my/our Proposal, I/we fail to enter into a formal contract if called upon to do so, or fail to commence the supply of Goods within 4 (four) weeks, Transnet may, without prejudice to any other legal remedy which it may have, recover from me/us any expense to which it may have been put in calling for Proposals afresh and/or having to accept any less favourable Proposal.

I/We accept that any contract resulting from this offer will be for a period of 2 Years only, and agree to a penalty clause to be negotiated with Transnet, which will allow Transnet to invoke a penalty (details to be negotiated) against us should the delivery of the Goods be delayed due to non-performance by us.

The law of the Republic of South Africa shall govern the contract created by the acceptance of this RFP. The *domicillium citandi et executandi* shall be a place in the Republic of South Africa to be specified by the Respondent hereunder, at which all legal documents may be served on the Respondent who shall agree to submit to the jurisdiction of the courts of the Republic of South Africa. Foreign Respondents shall, therefore, state hereunder, the name of their accredited agent in the Republic of South Africa who is empowered to sign any contract which may have to be entered into in the event of their Proposal being accepted and to act on their behalf in all matters relating to the contract.

Respondent to indicate *domicillium citandi et executandi* hereunder:

NOTIFICATION OF AWARD OF RFP

As soon as possible after approval to award the contract/s, the successful Respondent (the Supplier) will be informed of the acceptance of its Proposal. Unsuccessful Respondents will be advised in writing of the name of the successful Supplier and the reason as to why their Proposals have been unsuccessful, for example, in the category of price, delivery period, quality, BBBEE status or for any other reason.

VALIDITY PERIOD

Transnet desires a validity period of 3 (three) months (from closing date) against this RFP. It should be noted that Respondents may offer an earlier validity period, but that their Proposals may be disregarded for that reason. Should Respondents be unable to comply with this validity period, an alternative validity period must be stated hereunder:

Respondent's Signature

Date and Company Stamp



This RFP is valid until _____ (State alternative validity period/date).

TAX (VAT) REGISTRATION NUMBER

The Respondent must state hereunder the tax registration number which is applicable to Value-Added Tax:

TAX CLEARANCE CERTIFICATE

Respondents are required to forward a valid copy of their company's Tax Clearance Certificate with their Proposal.

Indicate tax clearance certificate expiry date: _____

BANKING DETAILS

BANK: _____

BRANCH NAME / CODE: _____

ACCOUNT HOLDER: _____

ACCOUNT NUMBER: _____

NAME(S) AND ADDRESS / ADDRESSES OF DIRECTOR(S) OR MEMBER(S)

The Respondent must disclose hereunder the full name(s) and address(s) of the director(s) or members of the company or close corporation (C.C.) on whose behalf the RFP is submitted.

(i) Registration number of company / C.C.

(ii) Registered name of company / C.C.

(iii) Full name(s) of director/member(s) Address/Addresses ID Number/s

| Full name(s) of director/member(s) | Address/Addresses | ID Number/s |
|------------------------------------|-------------------|-------------|
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |



REGISTRATION CERTIFICATE

Respondents must submit a certified copy of their company’s Registration Certificate with their Proposal.

NAME AND ADDRESS OF ACCREDITED AGENT

Provide hereunder, if applicable, details of the accredited agent in the Republic of South Africa appointed as local representative by foreign Respondents and whose address shall be regarded as the Respondent’s domicilium citandi et executandi in terms of the Standard Terms and Conditions of Contract, US7 – Goods.

| | |
|---------|-------|
| Name | |
| Address | |
| | |

CONFIDENTIALITY

All information related to a subsequent contract, both during and after completion, is to be treated with strict confidence. Should the need however arise to divulge any information gleaned from provision of the Goods, which is either directly or indirectly related to Transnet’s business, written approval to divulge such information will have to be obtained from Transnet.

DISCLOSURE OF PRICES TENDERED

Respondents must indicate here **whether Transnet may disclose** their tendered prices and conditions to other Respondents:

| | | | |
|-----|--|----|--|
| YES | | NO | |
|-----|--|----|--|

DECLARATION

Respondents to declare hereunder whether any family and/or direct relationship exists between any of the owners / members / directors / partners / shareholders (unlisted companies) of the responding company and any employee or board member of the Transnet Group:

| | |
|-----|----|
| YES | NO |
|-----|----|

If YES, please indicate below:

FULL NAME OF OWNER/MEMBER/DIRECTOR/
PARTNER/SHAREHOLDER

ADDRESS

Respondent’s Signature

Date and Company Stamp



Indicate nature of relationship (if any):

(Failure to furnish complete and accurate information in this regard may lead to the disqualification of a response and may preclude a Respondent from future business with Transnet)

PRICE REVIEW

The successful Respondent(s) will be obliged to submit an annual price review. Transnet will be benchmarking this price offering(s) against the lowest price received as per the benchmarking exercise. If the Respondent's price(s) is/are found to be higher than the benchmarked price(s), then the Respondent shall match or better such price(s) within 30 days - failing which the Contract may be terminated at Transnet's discretion or the particular item(s) or service(s) purchased outside the contract.

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Respondent's Signature

Date and Company Stamp



RETURNABLE DOCUMENTS

Respondents are required to submit the following returnable documents with their responses (see tick):

| | |
|--|--|
| Notice to Bidders – Section 1 | |
| Background overview – Section 2 | |
| Scope of Requirements, Pricing & Delivery Schedule – Section 3 | |
| Proposal Form – Section 4 | |
| Signing Power: Resolution of Board of Directors (Respondent’s Representative) – Section 5 | |
| Certificate of Acquaintance with RFP Documents – Section 6 | |
| General Tender Conditions, Form CSS5 – Section 7 | |
| Conditions of Contract, Form US7 – Section 8 | |
| Supplier Code of Conduct – Section 9 | |
| Non-Disclosure Agreement – Section 10 | |
| Supplier Declaration Form – Section 11 | |
| Certificate of attendance of non-compulsory briefing session - Section 12 (Optional – Non-compulsory briefing session) | |
| Audited Financials for previous financial year | |
| Valid Tax Clearance Certificate | |
| VAT Registration Certificate | |
| <ul style="list-style-type: none"> • BBBEE status (Certificate and Detailed Scorecard), • If annual turnover <R5m, please attach auditors / accounting officers letter confirming annual turnover and percentage black ownership as well as Black Women ownership | |
| ISO rating certificate / Documentary proof of quality management system | |
| OHS and Risk Plan with a method statement | |
| Environmental Management Plan with a method statement | |
| SHEQ policy | |
| Business continuity plan with a method statement | |
| Organogram of the key technical team and two C.V’s of the key technical employees | |
| Proof of laboratory or testing facilities | |
| Stamped letters from two of the references indicated in section 2 (n) | |

NOTE: Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 12 as indicated in the footer of each page, must be signed and dated by the Respondent.

Suppliers who failure to submit the above documents will be considered as non responsive

 Respondent’s Signature

 Date and Company Stamp



By signing the RFP documents, the Respondent is deemed to acknowledge that he / she has made himself / herself thoroughly familiar with all the conditions governing this RFP, including those contained in any printed form stated to form part hereof and Transnet Limited will recognize no claim for relief based on an allegation that the Respondent overlooked any such condition or failed properly to take it into account for the purpose of calculating tendered prices or otherwise.

SIGNED at _____ on this _____ day of _____ 2010.

SIGNATURE OF WITNESSES:

ADDRESS OF WITNESSES:

1 _____ 1 _____

2 _____ 2 _____

SIGNATURE OF RESPONDENT'S AUTHORISED REPRESENTATIVE:

NAME

DESIGNATION

Respondent's Signature

Date and Company Stamp

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SECTION 5

RFP NUMBER: HOAC-HO-7262

NATIONAL SUPPLY OF SPARES FOR AXLE COUNTER EQUIPMENT ON AN AS AND WHEN REQUIRED BASIS FOR A PERIOD OF TWO YEARS

SIGNING POWER: RESOLUTION OF BOARD OF DIRECTORS

NAME OF COMPANY: _____

It was resolved at a meeting of the Board of Directors held on _____ that

| FULL NAME(S) | CAPACITY | SIGNATURE |
|--------------|----------|-----------|
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |

in his/her capacity as indicated above is/are hereby authorized to enter into, sign, execute and complete any documents relating to Tenders, Proposals and/or Contracts for the supply of Goods.

FULL NAME _____

SIGNATURE CHAIRMAN

FULL NAME _____

SIGNATURE SECRETARY



SECTION 6

RFP NUMBER: HOAC-HO-7262

NATIONAL SUPPLY OF SPARES FOR AXLE COUNTER EQUIPMENT ON AN AS AND WHEN REQUIRED BASIS FOR A PERIOD OF TWO YEARS

CERTIFICATE OF ACQUAINTANCE WITH RFP DOCUMENTS

NAME OF COMPANY: _____

I/We _____ do

hereby certify that I/we acquainted myself/ourselves with all the documentation comprising this RFP and all conditions contained therein, as laid down by Transnet Limited for the carrying out of the proposed supply/service/works for which I/we submitted my/our response.

I/We furthermore agree that Transnet Limited shall recognize no claim from me/us for relief based on an allegation that I/we overlooked any RFP/contract condition or failed to take it into account for the purpose of calculating my/our offered prices or otherwise.

SIGNED at _____ on this _____ day of _____ 2010

WITNESS: _____

SIGNATURE OF RESPONDENT



SECTION 7

RFP NUMBER: HOAC-HO-7262

**NATIONAL SUPPLY OF SPARES FOR AXLE COUNTER EQUIPMENT ON AN AS AND
WHEN REQUIRED BASIS FOR A PERIOD OF TWO YEARS**

GENERAL TENDER CONDITIONS - GOODS

Refer Form CSS5 attached hereto

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Respondent's Signature

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Date and Company Stamp



SECTION 8

RFP NUMBER: HOAC-HO-7262

NATIONAL SUPPLY OF SPARES FOR AXLE COUNTER EQUIPMENT ON AN AS AND WHEN REQUIRED BASIS FOR A PERIOD OF TWO YEARS

STANDARD TERMS AND CONDITIONS OF CONTRACT

FOR THE SUPPLY OF GOODS TO TRANSNET

Refer Form US7 attached hereto.

Respondents should note the obligations as set out in Clause 24 of the General Tender Conditions (Section 7) which reads as follows:

"The Supplier shall adhere to the Standard Terms and Conditions of Contract as set out in Form US7 – Goods, a copy of which is attached hereto.

Should the Respondent find any conditions unacceptable, it should indicate which conditions are unacceptable and offer an alternative. Please note that any alternative offered shall be compared with acceptance of the Form US7 conditions or alternatives offered by other Respondents, except penalties for late deliveries, the exclusion of which may disqualify the RFP, save where indicated otherwise by Transnet."

Respondent's Signature

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Date and Company Stamp



SECTION 9

RFP NUMBER: HOAC-HO-7262

NATIONAL SUPPLY OF VARIOUS SPAPRES FOR AXLE COUNTER EQUIPMENT ON AN AS AND WHEN REQUIRED BASIS FOR A PERIOD OF TWO YEARS

SUPPLIER CODE OF CONDUCT

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Respondent's Signature

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Date and Company Stamp



SECTION 10

RFP NUMBER: HOAC-HO-7262

**NATIONAL SUPPLY OF SPARES FOR AXLE COUNTER EQUIPMENT ON AN AS AND
WHEN REQUIRED BASIS FOR A PERIOD OF TWO YEARS**

NON-DISCLOSURE AGREEMENT

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Respondent's Signature

Date and Company Stamp



SECTION 11

RFP NUMBER: HOAC-HO-7262

**NATIONAL SUPPLY OF SPARES FOR AXLE COUNTER EQUIPMENT ON AN AS AND
WHEN REQUIRED BASIS FOR A PERIOD OF TWO YEARS**

SUPPLIER DECLARATION FORM

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Date and Company Stamp



SECTION 12

RFP NUMBER: HOAC-HO-7262

**NATIONAL SUPPLY OF SPARES FOR AXLE COUNTER EQUIPMENT ON AN AS AND
WHEN REQUIRED BASIS FOR A PERIOD OF TWO YEARS**

CERTIFICATE OF ATTENDANCE OF NON-COMPULSORY BRIEFING SESSION

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Respondent's Signature

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Date and Company Stamp